

**Huntington County, Indiana**  
**2007 Pay 2008 Budget Order**

An analysis of the data with the 2007 Pay 2008 Budget Order for Huntington County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Huntington County has three cross-county units; Markle Town, Markle Library, and Rock Creek Conservancy. These units cross county lines with Wells County (the major county). Because Wells County has not submitted their certified net assessed values, yet, the cross county units have been not been included in this analysis.

Huntington County includes one Conservancy Districts (Rock Creek Conservancy District). A Conservancy District is a special taxing district created to provide flood control, irrigation, potable water or wastewater service within a specified area. The cost of providing these services are charged to landowners in the form of a special assessment based on the benefit provided. These special assessments are added to the property tax bill of each landowner and collected along with property taxes. Since the benefit derived may not relate to the assessed value of the property, these assessments are normally expressed in terms of dollars of assessment and not as a tax rate per \$100 of net assessed value. Therefore, the Conservancy District special assessment has not been included in this analysis.

**Changes in Local Tax Levies**

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net decrease in tax levy for Pay 2008 on a county-wide basis was approximately \$916,209 million, or 2.16%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar increases in levy were due to the Huntington Civil City (\$227,595). The largest total dollar decreases in levy were due to Huntington County Community Schools (\$989,360) and the County unit (\$239,602).

Huntington County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$4,725,464	\$4,923,573	\$198,109	4.19%
Health	163,797	110,276	-53,521	-32.68%
Children's Psych Res Treatment	120,311	-0-	-120,311	-100.00%

Huntington County Welfare

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Welfare – Family and Children	\$745,058	\$396,060	-\$348,998	-46.84%

Total County levy decrease of \$239,602 or 3.30%.

Jackson Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$14,873	\$20,191	\$5,318	35.76%
Fire	13,442	18,755	5,313	39.53%
Recreation	5,391	1,413	-3,973	-73.79%

Jackson Township unit received an excess levy appeal totaling \$4,550 for volunteer fire. Total Township levy increased by \$6,685 or 19.62%.

Rock Creek Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Township Assistance	\$0	\$5,463	\$5,463	-%
Fire	6,467	9,508	3,041	47.02%

Rock Creek Township unit received excess levy appeals totaling \$8,406; with \$5,500 for emergency assistance and \$2,906 for volunteer fire. Total Township levy increased by \$8,947 or 59.61%.

Huntington Civil City

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$5,896,042	\$6,465,700	\$569,658	9.66%
Fire Pension	370,662	107,698	-262,964	-70.94%
Police Pension	373,280	117,538	-255,742	-68.51%
Landfill	169,102	197,902	28,800	17.03%
Aviation/Airport	26,177	127,925	101,748	388.69%

Total City levy increased by \$227,595 or 2.74%.

Huntington County Community School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$9,927,823	\$10,379,887	\$452,064	4.55%
Debt Service	5,477,770	3,629,776	-1,847,994	-33.74%
Bus Replacement	395,721	546,719	150,998	38.16%

Total School levy decreased by \$989,360 or 4.24%.

No units in the County exceeded the working maximum levy. All units in the County levied up to or near the working maximum levy.

No units in the County exceeded the normal statutory growth rate for controlled fund levies.

## Changes in Real Property Gross Assessed Values

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	15.51%
Industrial	6.83%
Commercial	8.04%
Residential	4.61%
Utility	12.52%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2007 Ratio</u>	<u>2008 Ratio</u>
Agriculture	20.31%	21.85%
Industrial	7.01%	6.98%
Commercial	10.89%	11.05%
Residential	61.69%	60.11%
Utility	0.01%	0.01%

As can be seen from the analysis, a shift from residential property to agricultural, industrial, and commercial property occurred. This shift was approximately 1.58%.

## Change in Net Tax Rates

Changes in net tax rate by district were as follows.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
CLEAR CREEK TOWNSHIP	14.00%	-10.30%	-9.95%	-9.43%	-21.57%
DALLAS TOWNSHIP	14.62%	-10.09%	-9.72%	-9.12%	-21.68%
ANDREWS TOWN	-1.46%	-4.30%	-3.48%	-2.06%	-20.39%
HUNTINGTON TOWNSHIP	2.21%	-9.82%	-9.43%	-8.88%	-22.08%
HUNTINGTON CITY	4.42%	-6.68%	-6.12%	-4.78%	-21.83%
JACKSON TOWNSHIP	9.70%	-10.14%	-9.76%	-9.23%	-21.45%
ROANOKE TOWN	6.03%	-7.15%	-6.44%	-5.45%	-21.03%
JEFFERSON TOWNSHIP	16.62%	-10.41%	-10.09%	-9.54%	-21.83%
MOUNT ETNA TOWN-JEFFERSON TOWN	4.87%	-9.99%	-9.61%	-8.91%	-22.26%
LANCASTER TOWNSHIP	8.98%	-10.23%	-9.87%	-9.36%	-21.52%
MOUNT ETNA TOWN-LANCASTER TOWN	-2.84%	-9.98%	-9.60%	-8.93%	-22.19%

POLK TOWNSHIP	14.27%	-10.35%	-10.03%	-9.50%	-21.64%
MOUNT ETNA TOWN-POLK TOWNSHIP	-10.36%	-9.99%	-9.62%	-8.92%	-22.31%
ROCK CREEK TOWNSHIP	15.30%	-9.73%	-9.26%	-8.63%	-20.82%
MARKLE TOWN	4.86%	-1.75%	-0.36%	0.64%	-17.04%
SALAMONIE TOWNSHIP	10.22%	-9.76%	-9.33%	-8.74%	-21.28%
WARREN TOWN	-1.57%	-6.35%	-5.53%	-4.57%	-20.08%
UNION TOWNSHIP	7.30%	-10.36%	-10.02%	-9.51%	-21.73%
WARREN TOWNSHIP	8.28%	-9.93%	-9.52%	-8.94%	-21.61%
WAYNE TOWNSHIP	12.85%	-10.25%	-9.89%	-9.37%	-21.46%
MOUNT ETNA TOWN-WAYNE TOWNSHIP	32.86%	-9.97%	-9.62%	-8.93%	-22.12%
MARKLE UNION	5.67%	-2.00%	-0.63%	0.30%	-17.40%
Average	8.04%	-8.61%	-8.09%	-7.36%	-21.15%

Downward pressure on tax rates came from increases in Assessed Value due to trending, as well as the increased Homestead Credit rate and decreases in tax levies.

### Assessment Status

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Property Class	Percent of Parcels with Identified Assessed Valuation Change				
	<u>Decrease</u>	<u>No Change</u>	<u>0 – 30% Increase</u>	<u>30 – 100% Increase</u>	<u>More Than Doubled</u>
Commercial	27.1%	8.0%	57.1%	5.7%	2.2%
Industrial	22.1%	9.7%	41.0%	13.4%	13.8%
Residential	22.9%	20.5%	54.7%	1.3%	0.6%
Agricultural	3.4%	4.1%	83.8%	8.1%	0.6%
Exempt	15.4%	75.3%	6.0%	2.3%	1.0%
Utility	0.0%	70.0%	10.0%	20.0%	0.0%
Overall	18.3%	18.6%	59.0%	3.3%	0.8%

### TIF Neutralization Worksheets

The County has a Tax Increment Area. A Tax Increment Financing (TIF) Neutralization Worksheet must be completed for each TIF District in order to calculate tax increment generated by real property growth rather than increases in assessed valuation due to reassessment or trending. The TIF Neutralization Worksheets were reviewed for numerical accuracy, logical analysis, and completeness.